### STATE OF MICHIGAN

### BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

\* \* \* \* \*

In the matter of the application of

DTE GAS COMPANY

for a certificate of public convenience and necessity
relative to Munro Township, Michigan.

Case No. U-18396

At the September 15, 2017 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman Hon. Norman J. Saari, Commissioner Hon. Rachael A. Eubanks, Commissioner

### ORDER APPROVING SETTLEMENT AGREEMENT

On July 11, 2017, DTE Gas Company (DTE Gas) filed an application, with supporting exhibits, pursuant to MCL 460.501 *et seq.*, requesting a certificate of public convenience and necessity (CPCN) to render natural gas service for residential and commercial customers in Sections 29, 30, 31, 32, 33, and 34 of Munro Township, Cheboygan County.

A prehearing conference was held on August 15, 2017, before Administrative Law Judge Martin D. Snider. DTE Gas and the Commission Staff participated in the proceedings.

Subsequently, the parties submitted a settlement agreement resolving all issues in the case.

According to the terms of the settlement agreement, attached as Exhibit A, the parties agree that, on April 11, 2017, DTE Gas obtained a franchise to provide natural gas service to Munro Township. The parties further agree that a CPCN, allowing DTE Gas to provide natural gas service to residential and commercial customers in Sections 29, 30, 31, 32, 33, and 34 of Munro

Township, will serve the public convenience and necessity and is otherwise in the public interest. The parties additionally agree that DTE Gas's construction and operation of facilities in Sections 29, 30, 31, 32, 33, and 34 of Munro Township will be in accordance with applicable standards and regulations, including the Michigan Gas Safety Standards. The parties also agree that, upon information and belief, there is no existing natural gas service in Munro Township. Therefore, consistent with Commission regulatory policies, the parties agree that the proposed projects described in the settlement agreement will not cross or parallel any existing facilities in Sections 29, 30, 31, 32, 33, and 34 of Munro Township.

The Commission finds that the settlement agreement is reasonable and in the public interest, and should be approved.

### THEREFORE, IT IS ORDERED that:

A. The settlement agreement, attached as Exhibit A, is approved.

B. DTE Gas Company is granted a certificate of public convenience and necessity to construct facilities and to provide natural gas service for residential and commercial customers in Sections 29, 30, 31, 32, 33, and 34 of Munro Township, Cheboyan County, as identified in Attachment 1 to the settlement agreement.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at <a href="majorage-michigan.gov">mpscedockets@michigan.gov</a> and to the Michigan Department of the Attorney General - Public Service Division at <a href="majorage-pungenge-michigan.gov">pungenge-michigan.gov</a>. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

W. Saginaw Hwy., Lansing, MI 4891/.	
	MICHIGAN PUBLIC SERVICE COMMISSION
	Sally A. Talberg, Chairman
	Norman J. Saari, Commissioner
By its action of September 15, 2017.	Rachael A. Eubanks, Commissioner
Kavita Kale, Executive Secretary	

### STATE OF MICHIGAN

### BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Application of	)	
<b>DTE GAS COMPANY</b> for a Certificate	)	Case No. U-18396
of Public Convenience and Necessity	)	
relative to Munro Township, Michigan	)	

### **SETTLEMENT AGREEMENT**

As provided in Section 78 of the Administrative Procedures Act of 1969 ("APA"), as amended, MCL 24.278, and R 792.10431 ("Rule 431") of the Michigan Public Service Commission's ("MPSC" or "Commission") Rules of Practice and Procedure, and supported by the Commission's own policy encouraging settlement of contested issues, DTE Gas Company ("DTE Gas" or "the Company") and the Commission Staff ("Staff") (hereinafter collectively referred to as the "Parties") have resolved through settlement discussions all issues before the Commission in the above-captioned case and agree as follows:

- 1. On July 11, 2017, DTE Gas filed its Application in this proceeding requesting issuance of a Certificate of Public Convenience and Necessity ("Certificate") pursuant to MCL 460.501 et seq. ("Act 69") to render natural gas service for residential and commercial customers in Munro Township, Michigan. A map and description depicting the proposed service area is attached as **Attachment 1**.
- 2. On July 17, 2017, the Commission issued its Notice of Hearing. In accordance with the Commission's Notice of Hearing, DTE Gas filed proofs of service and affidavits of publication on August 10, 2017, indicating that the Company provided the requisite notice to all cities, incorporated villages, townships, counties, and any incumbent utility or competitive gas service provider affected by the proposed service.

- 3. On August 15, 2017, Administrative Law Judge ("ALJ") Martin D. Snider conducted a prehearing conference pursuant to the Notice of Hearing. Only DTE Gas and Staff appeared by and through counsel and were granted party status in the proceeding. The ALJ approved a consensus schedule for a second prehearing scheduled for September 27, 2017.
- 4. In lieu of further contested case actions, the Parties agree to settle this case according to the following terms and conditions pursuant to MCL 24.278(2).
- 5. On April 11, 2017, DTE Gas obtained a franchise for providing natural gas service to Munro Township (see **Attachment 2**). This franchise was published on May 4, 2017, in a local newspaper of circulation for Munro Township (see **Attachment 3**).
- 6. Presque Isle Electric & Gas Co-Op has provided a letter of non-objection regarding DTE Gas's request to the Commission for an Act 69 certificate to provide natural gas service in Sections 29, 30, 31, 32, 33, and 34 of Munro Township (see **Attachment 4**).
- 7. The granting of an Act 69 Certificate by the Commission allowing DTE Gas to provide natural gas service to residential and commercial customers in in Sections 29, 30, 31, 32, 33, and 34 of Munro Township, Michigan, will serve the public convenience and necessity and is otherwise in the public interest.
- 8. Specifically, the first project entails DTE Gas facilities being extended to serve the NE Burt Lake area. This project, highlighted in yellow on the attached map (see **Attachment 1**), would require approximately 36,250 feet of main to serve 131 residential homeowners and 4 commercial businesses. Of the 36,250 feet of distribution main required, 15,600 feet will be installed in Munro Township and will serve the University of Michigan Biological camp located in Sections 33 and 34 of the township. The remainder of this project is located in Burt Township where DTE Gas has already been providing natural gas services to customers for several years.

- 9. In addition, the second project entails DTE Gas extending facilities to serve the SW corner of Douglas Lake in Sections 29, 30, 31 and 32 of Munro Township. This project, highlighted in orange on the attached map (see **Attachment 1**) will require approximately 21,790 feet of main to serve 175 residential homes and 1 commercial business.
- 10. Upon information and belief, there is no existing natural gas service in Munro Township. Therefore, consistent with Commission regulatory policies, the proposed projects will not cross or parallel any existing facilities in Sections 29, 30, 31, 32, 33, and 34 of Munro Township.
- 11. DTE Gas's construction and operation of facilities in Sections 29, 30, 31, 32, 33, and 34 of Munro Township will be in accordance with applicable standards and regulations, including the Michigan Gas Safety Code.
- 12. This Settlement Agreement is entered into for the sole and express purpose of reaching a compromise among the Parties. All offers of settlement and discussions relating to this Settlement Agreement are considered privileged under MRE 408. If the Commission approves this Settlement Agreement without modification, neither the Parties to this settlement nor the Commission shall make any reference to, or use this Settlement Agreement or the order approving it, as a reason, authority, rationale, or example for taking any action or position or making any subsequent decision in any other case or proceeding; provided, however, such references may be made to enforce or implement the Settlement Agreement and the order approving it.
- 13. This Settlement Agreement is not severable. Each provision of this Settlement Agreement is dependent upon all other provisions of this Settlement Agreement. Failure to comply with any provision of this Settlement Agreement constitutes failure to comply with the entire Settlement Agreement. If the Commission rejects or modifies this Settlement Agreement, then

this Settlement Agreement shall be deemed to be withdrawn, and shall not constitute any part of the record in this proceeding or be used for any other purpose, and shall not operate to prejudice the pre-negotiation positions of any party.

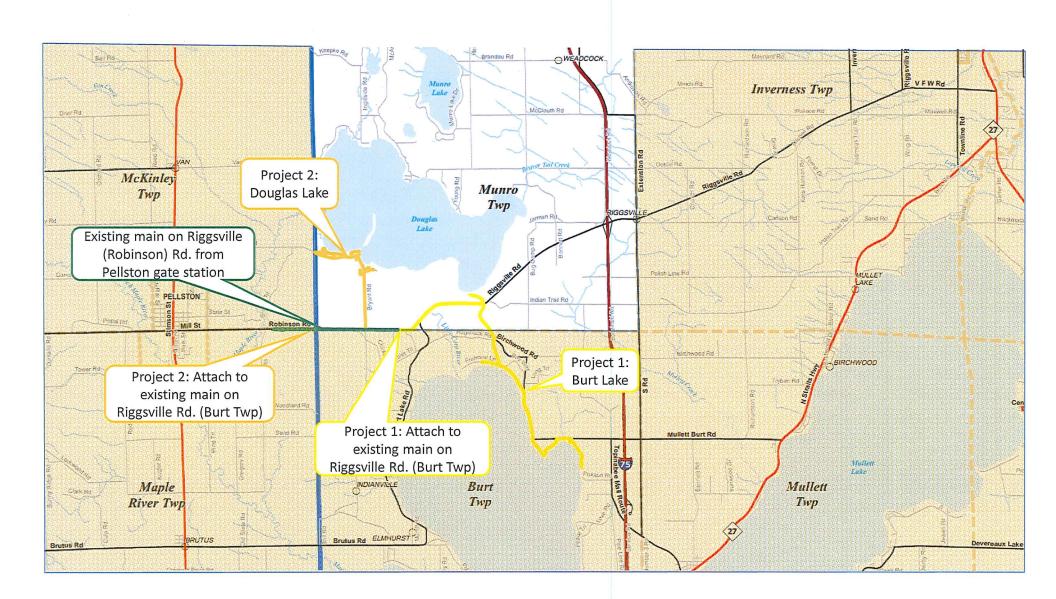
- 14. This Settlement Agreement is reasonable and in the public interest, and will reduce the time and expense of the Commission, its Staff, and the Parties.
- 15. The Parties agree to waive Section 81 of 1969 PA 306 (MCL 24.281), as it applies to the issues in this proceeding, if the Commission approves this Settlement Agreement without modification.
- 16. This Settlement Agreement may be executed in any number of counterparts, each considered an original, and all counterparts that are executed shall have the same effect as if they were the same instrument.

IN WITNESS WHEREOF, the parties have caused this Settlement Agreement to be duly executed by their respective duly authorized officers as of the date first above written.

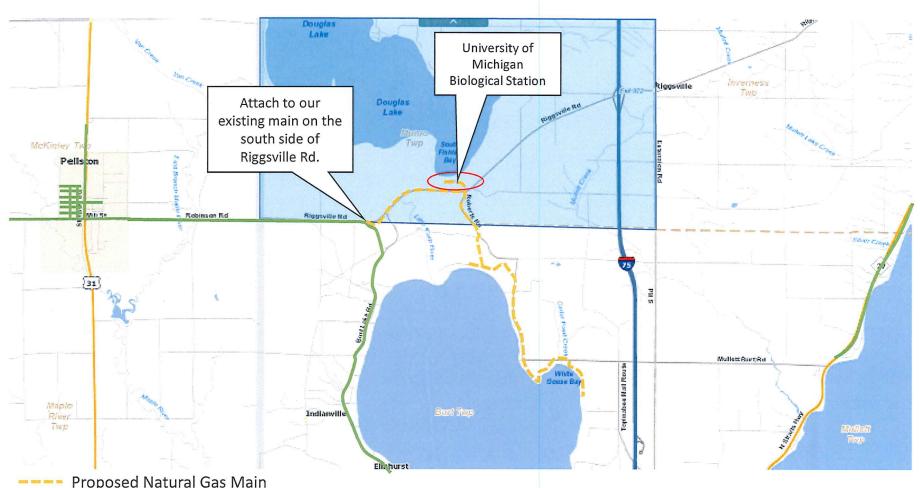
# Michael J. Solo By: | Michael J. Solo | Digitally signed by Michael J. Solo Jr. | Discontinuo J. Solo Jr. | Discontinuo J. Solo Jr. | Discontinuo J. Solo Jr. | Dated: | , 2017 | Print: | Michael J. Solo | Discontinuo J. Solo Jr. | Dated: | , 2017 | Print: | Michael J. Solo Jr. | Dated: | , 2017 | Michael J. Solo Jr. | Dated: | , 2017 | Michael J. Solo Jr. | Dated: | , 2017 | By: | Michael J. Orris | Dated: 8/21 | , 2017 | Print: | Its: | Afformy | Dated: | , 2017

DTE GAS COMPANY

### ATTACHMENT 1



U-18396 Attachment 1 Page 2 of 2



Proposed Natural Gas Main
Existing Natural Gas Main

# ATTACHMENT 2

### S U M MARY

This proposed ordinance, Ordinance No.17-01 *'DTE Gas Company Franchise Agreement,'* to permit DTE Gas Company to operate a natural gas transportation and distribution business within the Township of Munro.

**AN ORDINANCE**, Ordinance No. 17-01, to permit DTE Gas Company to operate a gas transportation and distribution business within the Township of Munro.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE TOWNSHIP OF MUNRO THAT:

**Section 1.** The ordinance, Ordinance No. 17-01, to read as follows:

"DTE Gas Company Franchise Agreement"

### Section 1. Definitions.

For purposes of this Ordinance No. 17-01, the following words and phrases shall have the meanings respectively ascribed to them by this section:

Township means The Township of Munro, Cheboygan County, Michigan or the territory within the township limits of The Township of Munro.

DTEG means DTE Gas Company, a corporation organized under the laws of the State of Michigan and its successors and assigns.

Ordinance shall mean this Ordinance No. 17-01.

### Section 2. Grant of Natural Gas Franchise to Use Public Rights of Way; Non-Exclusive.

Subject to the Michigan Constitution of 1963, applicable state statutes, rules and regulations, and applicable federal statutes, rules and regulations, the Township hereby grants a non-exclusive franchise to use the Township's public highways, streets, alleys or other public places to DTEG, and its successors and assigns to lay, maintain, operate and use gas pipes, mains, conductors, service pipes and other necessary equipment incidental to the distribution and transportation of natural gas. This franchise grants to DTEG the right and privilege, in its reasonable discretion, subject to regulations of the Michigan Public Service Commission, or successor agency having similar jurisdiction (i) to transact local business within the Township, (ii) to transport and distribute natural gas, and to install, maintain, operate and use all natural gas distribution facilities and other necessary equipment on, along, across, and under the highways, streets, alleys, bridges and other public places within the Township, (iii) to convey, supply and sell gas services within the Township, and (iv) to undertake all other incidental matters thereto.

### Section 3. Term.

The franchise granted under this article shall continue in effect for a period of thirty (30) years from the effective date of this Ordinance, subject to revocation at the will of the Township.

### Section 4. Gas Service and Extension of System.

This franchise grants DTEG and its successors and assigns the right to furnish natural gas services, pursuant to regulations of the Michigan Public Service Commission, or successor agency having similar jurisdiction, and in accordance with applicable laws, rules and regulations.

### Section 5. Use of Streets and Other Public Places.

- (a) DTEG shall not unnecessarily obstruct the passage of any of the highways, streets, alleys or other public places within the Township. In addition, within a reasonable time after making an opening or excavation and at its sole cost and expense, DTEG shall repair the same and leave it in as good as a condition as before the opening or excavation was made.
- (b) Unless an emergency exists where DTEG determines that there is an immediate and serious threat to the health, service, safety or welfare of a customer, or the general public and which requires immediate action, DTEG shall not open or excavate in the right of way including any road, sidewalk, street, alley or highway in the Township for the purpose of installing or maintaining gas transportation or distribution facilities and other necessary equipment, except upon application to the Michigan Department of Transportation, the applicable County Road Commission, if any, the Township, or other public authority having jurisdiction over the public way, stating the nature of the proposed work and the route. DTEG shall obtain a permit from the Township or if required by law obtain a permit from the public authority having jurisdiction over the highway, street, alley, bridge and other public place for all proposed work within the Township and shall pay therefor such reasonable fees as may be legally required by such public authority to offset its direct costs of permitting

### Section 6. Indemnification.

DTEG shall use due care in exercising the privileges in this Ordinance and, at its sole cost and expense, shall indemnify and hold harmless the Township, and its employees and agents, from any liability which may be imposed upon or incurred by the indemnitee(s), for all damages and costs which may be recovered against the Township arising from the default,

carelessness, or negligence of DTEG or any of its officers, agents, and servants that may arise out of, or be in any way connected with, the operation and maintenance or condition of DTEG's natural gas transportation or distribution system and other necessary equipment within the Township rights of way, or DTEG's failure to comply with any federal or state statute, regulation or rule, or any provision of this Ordinance.

### Section 7. Standards and Conditions of Service; Rules, Regulations and Rates.

Under this article, the rates to be charged for gas services within the Township, and the standards and conditions of service and operation within the Township, shall be the same as set forth in DTEG's schedule of rules, regulations, and rates as applicable in the cities, villages, and townships where DTEG is now supplying natural gas service, or as shall hereafter be validly prescribed for the Township under the orders, rules, and regulations of the Michigan Public Service Commission, or other authority having jurisdiction over the provision of such service within the Township.

### Section 8. Successors and Assigns.

Whether so expressed or not, the words "DTE Gas Company" and "DTEG" are intended and shall be held and construed to mean and to include both DTE Gas Company and its successors and assigns.

### Section 9. Acceptance by DTEG.

DTEG shall file a written acceptance of natural gas franchise with the Office of the Township Clerk within thirty (30) days after the effective date of this Ordinance.

### Section 10. Entire Agreement.

This article contains the entire agreement between the Township and DTEG which grants a natural gas franchise and thereby, the permission to use the public rights-of-way within the Township. Neither the Township nor DTEG makes any representations except those expressly or by reference set forth in this Ordinance.

### Section 12. Conflicting Ordinances.

All ordinances or parts of ordinances, in conflict with this ordinance are repealed.

### Section 13. Necessity.

This ordinance is declared necessary to preserve the public peace, health, safety, and welfare of the People of The Township of Munro.

### Section 14. Effective Date.

This ordinance shall take effect immediately after the date of publication thereof, which shall be within 30 days after the date of its adoption, and shall continue in effect for a period of thirty years thereafter, subject to revocation at the will of the Township.

ENACTED at a regular meeting of the Board of Trustees of Munro Township held on the 11th day of April, 2017. Motion by: Donald Tracey, Seconded by: Paul Nows; Yeas: 4; Nays: 0

Mary Bur, Township Clerk

### **CERTIFICATION**

The foregoing is a true copy of Ordinance No. 17-01 which was enacted by the Munro Township Board of Trustees at a regular meeting held on April 11, 2017.

Mary Bur, Township Clerk

# **ATTACHMENT 3**

Thursday, May 4, 2017 | Cheboygan Daily Tribune | CheboyganNews.com

**A3** 

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## Straits & State

### Just for Kicks



Students in the Just for Kicks Dance Club at Inland Lakes Schools are preparing for their annual spring recital by getting their pictures taken professionally and practicing their routines. The recital will be held on Friday, May 13 at 6 p.m. and Saturday, May 13 at 1 p.m. Admission to the event is \$2 per person or two items that can be donated to Kim's Closet to be given to students in need. Routines at the recital will include Grandmother's Feather Bed and Thank God I'm a Country Boy. COURTESY

### NCMC announces summer hours

### SUMMARY

This proposed ordinance, Ordinance No. 17-01 'DTE Gas Company Franchise Agreement,' to permit DTE Gas Company to operate a natural gas transportation and distribution business within the Township of Munro.

AN ORDINANCE, Ordinance No. 17-01, to permit DTE Gas Company to operate a gas transportation and distribution business within the Township of Munro.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE TOWNSHIP OF MUNRO THAT:

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DTEG means DTE Gas Company, a corporation organized under the laws of the State of Michigan and its successors and assigns.

Ordinance shall mean this Ordinance No. 17-01.

#### Section 2. Grant of Natural Gas Franchise to Use Public Rights of Way; Non-Exclusive

Subject to the Michigan Constitution of 1963, applicable state statutes, rules and regulations, and applicable federal statutes, rules and regulations, the Township hereby grants a non-exclusive franchise to use the Township's public highways, streets, alleys or other public places to DTEG, and its successors and assigns to lay, maintain, operate and use gas pipes, mains, conductors, service pipes and other necessary equipment incidental to the distribution and transportation of natural gas. This franchise grants to DTEG the right and privilege, in its reasonable discretion, subject to regulations of the Michigan Public Service Commission, or successor agency having similar jurisdiction (i) to transact local business within the Township, (ii) to transport and distribute natural gas distribution facilities and necessary equipment on, along, across, and under the highways, street, and other public places within the Township, (iii) to convey distribution facilities within the Township, and (iv) to undertake all other incident.

Sortion 9 Term

U-18396



### SUMMARY

This proposed ordinance, Ordinance No. 17-01 'DTE Gas Company Franchise Agreement,' to permit DTE Gas Company to operate a natural gas transportation and distribution business within the Township of Munro.

AN ORDINANCE, Ordinance No. 17-01, to permit DTE Gas Company to operate a gas transportation and distribution business within the Township of Munro.

### IT IS HEREBY ORDAINED BY THE PEOPLE OF THE TOWNSHIP OF MUNRO THAT:

Section 1. The ordinance, Ordinance No. 17-01, to read as follows:

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### Section 1. Definitions.

For purposes of this Ordinance No. 17-01, the following words and phrases shall have the meanings respectively ascribed to them by this section:

Township means The Township of Munro, Cheboygan County, Michigan or the territory within the township limits of The Township of Munro;

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Ordinance shall mean this Ordinance No. 17-01.

### Section 2. Grant of Natural Gas Franchise to Use Public Rights of Way: Non-Exclusive

Subject to the Michigan Constitution of 1963, applicable state statutes, rules and regulations, and applicable federal statutes, rules and regulations, the Township hereby grants a non-exclusive franchise to use the Township's public highways, streets, alleys or other public places to DTEG, and its successors and assigns to lay, maintain, operate and use gas pipes, mains, conductors, service pipes and other necessary equipment incidental to the distribution and transportation of natural gas. This franchise grants to DTEG the right and privilege, in its reasonable discretion, subject to regulations of the Michigan Public Service Commission, or successor agency having similar jurisdiction (I) to transact local business within the Township, (II) to transport and distribute natural gas, and to install, maintain, operate and use all natural gas distribution facilities and other necessary equipment on, along, across, and under the highways, streets, alleys, bridges and other public places within the Township, (III) to convey, supply and sell gas services within the Township, and (iv) to undertake all other incidental matters thereto.

### Section 3. Term.

The franchise granted under this article shall continue in effect for a period of thirty (30) years from the effective date of this Ordinance, subject to revocation at the will of the Township.

### Section 4. Gas Service and Extension of System.

This franchise grants DTEG and its successors and assigns the right to furnish natural gas services, pursuant to regulations of the Michigan Public Service Commission, or successor agency having similar jurisdiction, and in accordance with applicable laws, rules and regulations.

### Section 5. Use of Streets and Other Public Places.

- (a) DTEG shall not unnecessarily obstruct the passage of any of the highways, streets, alleys or other public places within the Township. In addition, within a reasonable time after making an opening or excavation and at its sole cost and expense, DTEG shall repair the same and leave it in as good as a condition as before the opening or excavation was made.
- (b) Unless an emergency exists where DTEG determines that there is an immediate and serious threat to the health, service, safety or welfare of a customer, or the general public and which requires immediate action, DTEG shall not open or excavate in the right

U-18396 Attachment 3 Page 3 of 3 dose of installing or maintaining gas transportation or distribution facilities and other necessary equipment, except upon application to the Michigan Department of Transportation, the applicable County Road Commission, if any, the Township, or other public authority having jurisdiction over the public way, stating the nature of the proposed work and the route. DTEG shall obtain a permit from the Township or if required by law obtain a permit from the public authority having jurisdiction over the highway, street, alley, bridge and other public place for all proposed work within the Township and shall pay therefor such reasonable fees as may be legally required by such public authority to offset its direct costs of permitting

### Section 6. Indemnification.

pTEG shall use due care in exercising the privileges in this Ordinance and, at its sole cost and expense, shall indemnify and hold harmless the Township, and its employees and agents, from any liability which may be imposed upon or incurred by the indemnitee(s), for all damages and costs which may be recovered against the Township arising from the default, carelessness, or negligence of DTEG or any of its officers, agents, and servants that may arise out of, or be in any way connected with, the operation and maintenance or condition of DTEG's natural gas transportation or distribution system and other necessary equipment within the Township rights of way, or DTEG's failure to comply with any federal or state statute, regulation or rule, or any provision of this Ordinance.

### Section 7. Standards and Conditions of Service; Rules. Regulations and Rates.

Under this article, the rates to be charged for gas services within the Township, and the standards and conditions of service and operation within the Township, shall be the same as set forth in DTEG's schedule of rules, regulations, and rates as applicable in the cities, villages, and townships where DTEG is now supplying natural gas service, or as shall hereafter be validly prescribed for the Township under the orders, rules, and regulations of the Michigan Public Service Commission, or other authority having jurisdiction over the provision of such service within the Township.

### Section 8. Successors and Assigns.

Whether so expressed or not, the words "DTE Gas Company" and "DTEG" are intended and shall be held and construed to mean and to include both DTE Gas Company and its successors and assigns.

### Section 9. Acceptance by DTEG.

DTEG shall file a written acceptance of natural gas franchise with the Office of the Township Clerk within thirty (30) days after the effective date of this Ordinance.

#### Section 10. Entire Agreement.

This article contains the entire agreement between the Township and DTEG which grants a natural gas franchise and thereby, the permission to use the public rights-of-way within the Township. Neither the Township nor DTEG makes any representations except those expressly or by reference set forth in this Ordinance.

### Section 12. Conflicting Ordinances.

All ordinances or parts of ordinances, in conflict with this ordinance are repealed.

### Section 13. Necessity.

This ordinance is declared necessary to preserve the public peace, health, safety, and welfare of the People of The Township of Munro.

#### Section 14. Effective Date.

This ordinance shall take effect immediately after the date of publication thereof, which shall be within 30 days after the date of its adoption, and shall continue in effect for a period of thirty years thereafter, subject to revocation at the will of the Township.

ENACTED at a regular meeting of the Board of Trustees of Munro Township held on the 11th day of April, 2017. Motion by: Donald Tracey, Seconded by: Paul Nows; Yeas: 4; Nays: 0

Mary Bur, Township Clerk

### CERTIFICATION

The foregoing is a true copy of Ordinance No. 17-01 which was enacted by the Munro Township Board of Trustees at a regular meeting held on April 11, 2017.

Mary Bur, Township Clerk

### **ATTACHMENT 4**



U-18396 Attachment 4 Page 1 of 1

June 9, 2017

David S. Maquera DTE Gas Company One Energy Plaza, WCB 688 Detroit, MI 48226

Re:

Case No. U-18396; Consent to Serve Customers in Sections 29, 30, 31, 32, 33, and 34 of Munro Township, Michigan

Dear Mr. Maquera:

It is our understanding that several residential customers and non-residential customers located in Sections 29, 30, 31, 32, 33, and 34 of Munro Township, Michigan, are requesting gas. In reviewing the location of the proposed service, we recognize that DTE Gas Company has facilities located closer in proximity to these customers than does Presque Isle Electric & Gas Co-Op ("Presque Isle"). Presque Isle does not object to DTE Gas Company providing the requested gas service to the residential and non-residential customers located in Sections 29, 30, 31, 32, 33, and 34 of Munro Township, Michigan. If you have any further questions, please feel free to direct such questions to Tom Sobeck at 1-800-423-6634 at ext. 1000.

Sincerely,

Thomas J. Sobeck

President & Chief Executive Officer

Presque Isle Electric & Gas Co-Op